

Alcohol & Drugs Action
(A company limited by guarantee)

**Directors' report and financial statements
for the year ended 31 March 2022**

Company number SC094162

Charity number SC013582

Alcohol & Drugs Action
(A company limited by guarantee)

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Company information

Directors	Professor Roger Buckland (Chair) Dr Ruby Watt (Vice Chair) Helen Valentine (Treasurer) John Willis Valerie Ashton Alan Chalmers Elaine Mottram Mark Whittington	
Chief Executive	Fraser Hoggan	
Company Secretary	Helen Valentine	
Charity number	SC013582	
Auditors	Henderson Loggie LLP Chartered Accountants 45 Queens Road Aberdeen AB15 4ZN	
Solicitors	Blackadders LLP 6 Bon-Accord Square Aberdeen AB116XU	Just Employment Law City View 6 Eagle Street Glasgow G4 9XA
Bankers	Bank of Scotland 48 Upperkirkgate Aberdeen AB10 1BA	
Principal and registered office	7 Hadden Street Aberdeen AB11 6NU	
Company number	SC094162	

Alcohol & Drugs Action
(A company limited by guarantee)

Directors' report

The Directors present their report together with the financial statements of the charitable company for the year ended 31 March 2022.

The company information set out on page 1 forms part of this report. This report is prepared in accordance with the Memorandum and Articles of Association of the charitable company and the accounting policies set out in note 2 to the financial statements. They also comply with the Charities and Trustees Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulation 2006 (as amended) and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing the financial statements in accordance with FRS 102 applicable in the UK and Republic of Ireland.

Structure, governance and management

Governing document

Alcohol & Drugs Action (referred to in this document as ADA) is a company limited by guarantee and is governed by its Memorandum and Articles of Association. It is a registered charity.

Organisational structure

The charitable company is administered by a Board of Directors who are its Trustees for the purposes of charity law. New Directors must be elected unanimously by the existing Directors and shall retire by rotation after a three-year period. The Board of Directors meets regularly to administer the charitable company's activities. In addition, there are two Board subgroups covering the Governance and Funding areas of the organisation respectively with each Director sitting on one of these groups as well as their place on the Board. The day to day running the charitable company is the responsibility of the Chief Executive Fraser Hoggan. The Chief Executive reports to the Board on a regular basis.

Directors

The Directors of the charitable company at the date of this report were as noted on page 1.

On 21 May 2021 Kate Malloch was appointed as Director, on 30 November 2021 Elaine Mottram was appointed as Director, and on 27 March 2022 Mark Whittington was appointed as Director.

On 23 June 2021 Thane Lawrie resigned as Director, on 3 August 2021 Darren Buck resigned as Director, on 27 March 2022 Dermot Craig resigned as Director, on 10 May 2022 Kate Malloch resigned as Director, and on 27 September 2022 Kim Bruce resigned as Director. Angela Joss sadly passed away on 17 October 2021.

Recruitment and appointment of new Directors

The recruitment and appointment of new Directors is overseen by the Board. In considering the appointment of any new Directors, the Board will actively seek nominations from individuals who can bring expertise, experience and skills, particularly where there has been an identified gap.

Induction and training of new Directors

Induction and training of Directors is viewed as an ongoing process. Relevant training opportunities are brought to the attention of the Directors as required. In addition, input by staff is a means by which Board Members update on practice issues relating to the charitable company's activities.

Related parties

For details of related party balances and transactions, see note 14 of the financial statements.

Risk policy

The main risk identified during 2021-22 and ongoing has again been Covid-19. We continue to operate under the pressures and regulations of the defence against the spread and effects of the virus.

The risk assessment tool used by ADA has been reviewed during the year and simplified. In the coming year we will have an external audit undertaken on the Risk Register and associated processes.

Directors' report (continued)

Risk policy (continued)

A heightened risk noted to the Governance Group is that of cyber security. Intensive work is now underway to migrate to Microsoft 365 Cloud and the eventual retirement of the existing servers.

Another major risk is funding uncertainty. The re-commissioning process for the 3-year period commencing November 2022 has now begun in Aberdeen City. The management team have pulled together a strong proposal document, highlighting how they will fulfil the required criteria, and including development proposals for the new terms of service. ADA has also engaged in discussions around commissioning opportunities in the Moray area, and await further correspondence on next steps.

The contract with Aberdeenshire Alcohol and Drug Partnership has been formally extended until March 2023.

The controls we have in place for any potential funding uncertainty include the strong relationship we have with funders and our capacity to evaluate, monitor and report on service outcomes, forming relationships and opportunities with new funders and horizon scanning regarding changes and opportunities. We engage in local and national working groups and participate in Scottish Government consultations to ensure we continue to develop these relationships. We recruit flexible staff to adapt to changing services and services are reviewed regularly for any improvements. There are tight controls on spend and delegated budgets and a reserves policy that is reviewed annually.

Key management personnel

The charitable company deem its Directors and senior management team to be key management. For details of the key management personnel remuneration, see note 7 to the financial statements.

Remuneration policy

We are committed to review our position on staff remuneration annually, in conjunction with staff and representatives.

The Directors all give freely their time and expertise without any form of remuneration or other benefit in kind (2021 - £Nil) but they are reimbursed for any expenses necessarily incurred as detailed in note 7 to the financial statements.

Objectives and activities

The company's objectives are to relieve the needs of persons affected by problems relating to drug and alcohol use and in furtherance of this to:

- i) develop and provide a city centre counselling and advice centre for drug and alcohol users, their friends and relatives in the city of Aberdeen and elsewhere.
- ii) develop an information resource in the field of drug and alcohol misuse.
- iii) develop training for professionals and volunteers in conjunction with agencies seeking to support drug misusers and their families.
- iv) provide a consultative service to community projects, residential establishments, professionals and volunteers.
- v) co-operate in the development of a common approach to the problem of drug misuse through liaison with relevant bodies.
- vi) facilitate the development of community responses through the promotion of local awareness of alcohol and drug misuse.'

Our operational delivery plan

ADAs strategy has been devised with a long-term view covering the next ten years. Clearly context and circumstance can change rapidly and nowhere less so than in the field of substance use. ADA recognises the need for flexibility and to be able to react to changes out with its control. To that end, our Operational Delivery Plan focuses on delivering on the short to medium term as well as longer term strategic objectives. It will deliver in a Specific, Measurable, Achievable, Realistic and Timebound (SMART) framework in line with the timelines of its current contracts, local planning priorities and national strategy. Progress towards each of the key Strategic Outcomes identified will be assessed by the Delivery Plan.

ADA has, for over 35 years, made a significant contribution to the development and delivery of services to substance users, their friends, and families in the Grampian area. This includes those affected by illicit drugs, over the counter prescribed medication, alcohol, and the increasingly widely available range of drugs that are sold via the internet. In addition to the delivery of direct services locally the organisation has expertise that means we are also regularly invited to contribute to national working groups and present at conferences.

The last two years have of course been very challenging for all of us, and especially for an organisation which relies very heavily on face-to-face complex interactions. The management team are constantly reviewing and checking procedures in line with Scottish Government and locally Health & Social Care Partnership COVID-19 guidance, including airflow monitoring, regular staff testing and hygiene processes at both Hadden Street and Chelsea House. The in-house COVID-19 contingency documentation continues to be updated regularly.

Staffing

The multi-disciplinary staff team comprises of a wide range of skills and expertise requisite to the delivery of services provided and effectively meet the complex needs of service users. This includes social work, nursing, mental health, community learning, counselling and lived experience. A framework for guidance for homeworking has been established and approved. Parameters are required to establish good working practice although it is unlikely that a one size fits all policy will be suitable, therefore, in line with national developments and guidance, a 'hybrid' approach has been adopted. As workflow is getting busier in terms of activities from our main bases at Hadden Street and Chelsea House, the availability of desk-top IT/seating is being reviewed to maximize appropriate use of space for staff. A staff survey to gauge opinion on working from home policy and processes and work-life balance is underway.

A regular 'staff-side' HR focused working group has been established to link all staff in all areas of service into pro-active discussions and consultation around salary (salary structure), and various other aspects of staffing policy and practice. A work plan of short and long-term goals has been established and will focus on developing a co-produced plan that would roll-out across the next contractual period for all services. Initial meeting suggest that this has been very well received across the organisation in terms of inclusivity and good practice.

Changes in commissioning (Aberdeen City Contract Variation) within this year have also seen ADA re-organise some internal service structures, both staffing and management, to accommodate an additional workstream (Young People's Wellbeing Hubs) as a now ongoing and contracted service. This work now moves within the Direct Access Service structure as does our partnership within the Timmermarket (NHS-led assessment clinic). There will be further developments in the latter area as a priority including the redesign of how clients access Medication Assisted Treatment (MAT), and elements of this service will be required to be in place from April 2022 with further targets through the coming year. The Lead NHS nurse manager within integrated service has now visited and shadowed the Sharp Response team to look at the planning and delivery practicalities for on-site prescribing at Hadden Street. This reflects national policy directives and additional funding at Scottish Government level that will filter down to ADA during 2022. We anticipate further financial resources (circa £240k) to follow in respect of supporting NHS implementation of the full MAT (Standards).

Achievements and performance

This year has again been a productive, successful yet challenging year, with a rapid and innovative adaptation of ADA's services required to reflect the changing circumstances of operating in a pandemic. Sweeping changes and new approaches have been put in place by staff, volunteers, and management to maintain and continue to support what ADA offers and delivers in harms reduction and recovery support. The response of our staff teams has been exemplary in looking out for the wellbeing of both clients and colleagues.

The key to ADA's strategy is always to challenge and develop service innovation, incorporating best practice, and the reaction of the organisation to the pandemic shows that this strategy continues apace. Discussions with Commissioners have ascertained that many of these innovations and adaptations will have a longer-term future post COVID-19 due to the learning available from the positive outcomes achieved for clients.

For example, a bid to the CORRA Foundation for 'Sharp Response' (mobile delivery and outreach crisis response) to be fully mainstreamed within our harm reduction (Direct Access) service, has been successful. This project will deliver £100k per annum for 5 years and will launch in July 2022 within Aberdeen City. Further work is taking place to look at internal processes, including outcome recording and embedding with other existing services and partnerships.

The ASSET (Aberdeenshire Substance Use, Support, Engagement and Treatment) service has begun the provision of needle exchange and Sharp Response (trial) service from Chelsea House in Inverurie. The service will continue weekly and will be monitored and evaluated for potential expansion.

ASSET service staff, working in conjunction with Kemnay Academy staff and pupils, will receive grant funding of £3k as the pupil team working with ADA won the Young Person's Philanthropy award (ADA are a beneficiary as chosen partner).

A further CORRA Foundation application has been submitted with the support and partnership of the Aberdeen City ADP and Children & Family Social Work to look at establishing a post for Children Affected by Parental Substance use. This Funding bid has been accepted through the first round (Lived Experience Panel) and moved to the next round of the process (commencing September 2022).

Three sites across Scotland will be involved in the 'Drug Checking Project' which has come about due to the focus of the national workplan of the Scottish Government Drug Related Death Taskforce. ADA has now been proposed as the Northeast site to host the Drug Checking Project based within Aberdeen City premises at Hadden Street. ADA are working to fulfil the requirements of gaining a Home Office licence for access/storage of controlled drugs and various meetings regarding the many complexities of achieving this are well underway. The project is a service which will look to allow individuals the opportunity to confidentially hand in a sample of drugs, to be tested by professionals. Service users receive feedback such as the substances detected, their potency and purity, and of course the presence of any potential adulterants. This provides an important harm reduction opportunity for service users to either dispose of their drugs or be able to use them in a more informed manner - reducing the risk of serious harm, including overdose.

A communications group has been established and a communications strategy formulated. A fundraising group and outline strategy and plan also both now established during the 21/22 financial year. These both report to Board Governance and Finance sub-groups respectively.

Achievements and performance (continued)

In-Person Needle Exchange services have resumed (adding to the COVID-led response of self-service facilities), and Duty Drop-in Services all now recommenced at Hadden Street and Chelsea House. Office space at Imperial Place has now been successfully vacated. An accommodation sub-let has been established with our local Recovery Community partners (Aberdeen in Recovery (AiR)). This facility allows additional space for Recovery Services staff to deliver group-work and other face-to-face work in a venue designed for and with the required additional capacity to host this work.

Aberdeen City Local Outcome Improvement Plan (LOIP)

ADA's Chief Executive and Direct Access Service Manager were invited to lead on specific charters within the 'Local Outcome Improvement Plan'. This is the local masterplan for achieving targeted improvements within the Local Authority and reports direct to Community Planning Leadership. These charter groups are high level multi-agency strategic groups focused on specific areas of change/improvement. ADA are leading on the projects to improve 'access to treatment' (both alcohol and drugs) over the coming year. This leadership position highlights ADA's significant prominence and contribution to improving accessibility within the local context for Aberdeen citizens.

Family Support

At ADA we recognise that substance problems can affect all family members: both as children who are affected by parental issues, as well as parents and partners of people with a substance use problem. Our Family Support Group is a peer led group, supported by staff, with fortnightly evening meetings held at the Timmermarket (NHS clinic). There are further plans to look to increase the quality (and quantity) of support available to Family members in 2022-23.

Participation and engagement

ADA needs to work closely with partners and other organisations if it is to be effective. We continue to strategically develop our partnerships, whether with sector-wide organisations, funding agencies such as the Alcohol and Drug Partnerships (ADPs) and Health and Social Care Partnerships (HSCPs), including other charities, third sector organisations and community groups. The latter includes several Recovery focused and Lived-experience led local community and action groups such as 'Aberdeen in Recovery' (AiR), 'Community Outreach Group' (COG), 'DrinkLink' and 'Grow-Free'. Further to this in terms of effective working approaches and reach to vulnerable clients we have multiagency partnership approaches to that directly involve statutory organisations such as Police Scotland (Cell Block). The Aberdeen City Council Housing (various Homeless services), Scottish Prison Service (pre-liberation) and various Health services (Exchange Street, Peter Brunt Clinic and the Aberdeen Royal Infirmary based Hospital Drug & Alcohol Community Team) within NHS Grampian.

ADA therefore is clearly the natural partner in delivering quality alcohol and drugs services wherever we operate. That is the constant and crucial feature of ADA's strategy in delivering person-centered care and support to individuals, families and communities facing substance misuse.

Staff, volunteers, and service-users themselves are an important part of our service delivery. The ADA Service Involvement Group (ADASI) has been created to replace the Service User Forum (SUF). An ADASI representative will also attend Board meetings.

Innovative and high-quality service delivery

At ADA we continually review and adapt our service responses to maximise impact and reach our commissioned contracts which are exacting and challenging. It remains the nature of substance use that the numbers of people with issues who could be reached and supported are at much lower levels than the underlying population (prevalence) that could benefit. Prevention, harms reduction and recovery are imprecise states that interact, mutate and expand. ADA's services need to interact with those from our partners and other agencies, we must report to diverse stakeholders and services need to be managed within exacting budgets laid out in the contract specifications. We intend to work to secure commissioners' decisions to take up options for further years on our key contracts; and we look to actively develop additional sources of both restricted and unrestricted funds. Charities can so easily be driven off track by poor financing decisions or inadequate planning and budgeting. ADA consistently and securely plans, costs, and tracks its financial health, keeping in mind our reserves policy, holding to prudent forecasts, and reacting quickly to outturns. We aim to strengthen controls, provide effective budgeting and transparency of activities in the coming periods

We are ready and eager to face those challenges and are fortunate to have excellent management and support.

Plans for the future

ADA have been asked to be a partner in the development study of Overdose Detection and Responder Alert Technologies (ODART): Responder Application Pilot study for the Brave app.

The aim of the ODART Project is to transform preventative care for those most at risk of DRD by delivering on four main workstreams:

1. Detect onset of overdose and alert a responsible person
2. Overdose first responder applications
3. Community provision of the 'Naloxbox' initiative
4. Remote addiction consultations

This app links people who are using drugs in homes or hostels to a community of 'supporters'. When someone is about to use a drug e.g., injecting heroin, they use the app to link with a 'supporter'. The supporter can be a friend or community member and will keep in contact with that person until the 'at risk' period is over. If the person fails to respond, then the supporter can activate the community response. This might, for example, involve calling an ambulance and/or administering naloxone. The community response pathway will need to be adapted for the local context and this will be part of the piloting process undertaken by Brave and facilitated by the University of Stirling.

As previously mentioned, the commissioning process has opened in Aberdeen City. There will be implications for some aspects of partnership working within the new contract and some new opportunities will become apparent.

ADA will be involved in various workshops within the ongoing Aberdeen City Service re-design (Target Operating Model), ensuring that we are fully proactive in helping to review and re-develop service pathways for clients. As part of the Aberdeen City re-commissioning process ADA has developed several proposals and submitted these for discussion and potential inclusion within a new Service Specification.

In Aberdeenshire we have been involved in a review of services delivered to Aberdeenshire residents from our Aberdeen base. We are also anticipating involvement in early stages of the re-commissioning process within Aberdeenshire (beginning Aug-Sep 2022).

Directors' report (continued)

Priorities for the year ahead include:

- ✓ Ensuring ADA retains and builds on standards achieved resulting in securing contracts to remain the leading provider of alcohol and drug services in the Northeast
- ✓ As part of securing contracts, ADA will lead on its internal service re-design and proactively influence the wider agenda alongside its multiagency partners to help support and deliver MAT Standards and all national priorities to reduce alcohol and drug-related harms locally
- ✓ Further develop our recording processes and Case Management System tools which allows timely access to client records and enable better service planning through trends monitoring. This includes the use of Microsoft 'PowerApps' and other appropriate technologies to enhance accuracy and efficiency.
- ✓ Continue to develop innovative methods of engaging the whole population, in-person and 'hybrid', including the launch of a new, public facing, advice focussed website
- ✓ Continue to invest in staff and volunteer training through in-house training and external opportunities to further develop talent within ADA
- ✓ External audit on ADA Risk Register and Risk processes including Health & Safety across sites and working practice
- ✓ Progressing ADA's organisational 10-year strategy, built up from consultation with staff, service users and board members

Financial review

The surplus for the year amounted to £29,623 (2021 - *surplus* £125,155), after other recognised gains and losses. Excluding other recognised gains and losses, the operating surplus for the year was £24,623 (2021 - *surplus* £89,155).

Reserves policy

The Board confirms that on a fund by fund basis the charitable company's assets are available and adequate to fulfil its obligations.

It is the Board's policy to build reserves over time towards a target of sufficient cash reserves to cover a minimum of one quarter's expenses.

At the year end the level of unrestricted reserves amounted to £309,595 (2021 - £310,429). Of this £57,884 (2021 - £60,401) relates to the property revaluation and £780 (2021 - £Nil) relates to designated funds leaving £250,931 (2021 - £250,028) of free reserves which includes a pension deficit of £19,000 (2021 - £17,000).

The level of restricted reserves at the year end amounted to £165,133 (2021 - £134,676) as detailed in note 12.

Provision of information to auditor

So far as the Directors are aware there is no relevant audit information of which the charitable company's auditor is unaware and we have taken all the necessary steps that we ought to have taken as Directors in order to make ourselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Alcohol & Drugs Action
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Directors' report (continued)

Auditor

Henderson Loggie LLP has expressed their willingness to continue in office and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

This report, which has been prepared in accordance with the provision applicable to companies subject to the small companies' regime was approved by the board and signed on its behalf by:


Helen Valentine – 2022-10-31, 09:20:05 UTC

.....
Helen Valentine
Treasurer

..... 2022

Statement of Directors' responsibilities

The Directors (who are also the Trustees of Alcohol & Drugs Action for the purposes of charity law) are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members and Directors of Alcohol & Drugs Action

Opinion

We have audited the financial statements of Alcohol & Drugs Action (the 'charitable company') for the period ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members and Directors of Alcohol & Drugs Action
(continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report which includes the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report which includes the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report which includes the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the Trustees of the charitable company for the purposes of charitable law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report to the Members and Directors of Alcohol & Drugs Action
(continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

As part of our planning process:

- We enquired of management the systems and controls the charitable company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company. We determined that the following were most relevant: Health and safety, Care Inspectorate and OSCR requirements; Data Protection Act 2018; employment law (including payroll and pension regulations), and compliance with the UK Companies Act, Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts Regulations 2006.
- We considered the incentives and opportunities that exist in the charitable company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the charitable company, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Inquiry of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of board and sub-committee meetings;
- Reviewing the charitable company's policies and procedures in relation to health and safety, and reviewing the terms and conditions included within key funding agreements;
- Reviewing correspondence and inspection reports from the Care Inspectorate;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular the application of defined benefit pension scheme deficit, the valuation of tangible fixed assets, the valuation and recoverability of debtors, and the application of accruals and deferred income; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Owing to the inherent limitations of an audit, there is unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

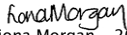
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Alcohol & Drugs Action
(A company limited by guarantee)

Independent Auditor's Report to the Members and Directors of Alcohol & Drugs Action
(continued)

Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Directors, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.


Fiona Morgan - 2022-10-31, 11:37:11 UTC

Fiona Morgan (Senior Statutory Auditor)
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Statutory Auditor
45 Queens Road
Aberdeen
AB15 4ZN

..... 2022

Alcohol & Drugs Action
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)
for the year ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
Income							
Donations and grants	3	2,676	45,130	47,806	6,153	107,680	113,833
Other activities	4	-	3,438	3,438	-	4,660	4,660
Investment income		40	-	40	80	-	80
Charitable activities	5	-	1,964,490	1,964,490	-	1,964,545	1,964,545
Total income		2,716	2,013,058	2,015,774	6,233	2,076,885	2,083,118
Expenditure							
Charitable activities	6	(8,654)	(1,982,497)	(1,991,151)	(10,437)	(1,983,526)	(1,993,963)
Total expenditure		(8,654)	(1,982,497)	(1,991,151)	(10,437)	(1,983,526)	(1,993,963)
Net (expenditure)/income before transfers between funds	8	(5,938)	30,561	24,623	(4,204)	93,359	89,155
Transfers between funds	12	104	(104)	-	11,094	(11,094)	-
Other recognised gains							
Defined benefit pension scheme actuarial gains	13	(5,834)	30,457	24,623	6,890	82,265	89,155
		5,000	-	5,000	36,000	-	36,000
Net movement of funds		(834)	30,457	29,623	42,890	82,265	125,155
Total funds brought forward		310,429	134,676	445,105	267,539	52,411	319,950
Total funds carried forward	12	309,595	165,133	474,728	310,429	134,676	445,105
All of the above activities relate to continuing operations.							

Alcohol & Drugs Action
(A company limited by guarantee)

Balance sheet at 31 March 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	9		165,128		173,589
Current assets					
Debtors	10	632,572		634,047	
Cash at bank and in hand		324,125		283,186	
			<u>956,697</u>	<u>917,233</u>	
Creditors					
Amounts falling due within one year	11	(628,097)		(628,717)	
Net current assets			<u>328,600</u>		288,516
Total assets less current liabilities and before pension deficit			<u>493,728</u>		462,105
Pension scheme funding deficit	13		<u>(19,000)</u>		<u>(17,000)</u>
Total net assets after pension deficit			<u>474,728</u> =====		445,105 =====
Funds					
Unrestricted funds	12		327,815		327,429
Designated funds			780		-
Less: Pension reserve deficit	12, 13		<u>(19,000)</u>		<u>(17,000)</u>
Net unrestricted funds			<u>309,595</u>		310,429
Restricted funds	12		<u>165,133</u>		<u>134,676</u>
Total funds			<u>474,728</u> =====		445,105 =====

The Directors have taken advantage, in the preparation of the financial statements, of the provision applicable to companies under the small companies' regime.

Approved by the Board on2022 and signed on its behalf by:


Helen Valentine – 2022-10-31, 09:20:05 UTC

Helen Valentine
Treasurer

The notes on pages 18 to 41 form part of these financial statements.

Alcohol & Drugs Action
(A company limited by guarantee)

Statement of cash flows for the year ended 31 March 2022

	<i>Note</i>	2022 £	2021 £
Cash flows from/(used by) operating activities:			
Net cash from/(used by) operating activities	17	53,601	(41,487)
Cash flows used in investing activities:			
Interest income		40	80
Purchase of tangible assets		(12,702)	(5,940)
Net cash used in investing activities		(12,662)	(5,860)
Change in cash and cash equivalents in the reporting period		40,939	(47,347)
Cash and cash equivalents at 1 April 2021		283,186	330,533
Cash and cash equivalents at 31 March 2022		324,125 =====	283,186 =====

1 Status of company and liability of members

On the winding up of the charitable company every member has undertaken to contribute to the assets of the charitable company for the payment of the debts and liabilities and of the cost of winding up of the charitable company, such amount as may be required not exceeding five pounds. If the winding up occurs within one year of a member ceasing to be a member then the above applies for debts and liabilities of the charitable company contracted for before he ceased to be a member.

2 Accounting policies

Company information

Alcohol & Drugs Action is a company limited by guarantee incorporated in Scotland. The registered office is 7 Hadden Street, Aberdeen, AB11 6NU.

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain fixed assets and include the results of the operations of the charitable company as indicated in the Directors' report, all of which are continuing.

These financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice Accounting and Reporting by Charities, preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charitable company meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The Directors have also taken into consideration the current economic climate and the likelihood of the UK entering a recession in 2022 and beyond. Forecast future cash flows have been prepared taking into account the future contracts and funding in place.

Based on these assessments and having regard to the resources available to the charitable company, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

2 Accounting policies (continued)

Income recognition

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

When income has related expenditure the income and related expenditure are reported gross in the SOFA.

Income from charitable activities

- Grant income – income from grants, including capital grants, is included as income when it is receivable except where the charitable company has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. In these circumstances income is deferred until those periods.
- Service Level Agreements – income from service contracts is recognised at the point it becomes due under the terms of any agreement.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the bank.

The contributions made by volunteers to the charitable company have not been recognised in the financial statements due to the difficulty in measuring the financial impact of their support.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that a settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is included on an accruals basis. Irrecoverable VAT is included in the related expenditure.

Charitable activities include all costs relating to activities where the primary aim is part of the objects of the charitable company, including support costs. Activities undertaken directly include costs which are directly attributable to the specific projects, the primary/main cost being salaries for the substance use workers.

Governance costs comprise costs for the running of the charitable company itself as an organisation and are primarily associated with constitutional and statutory matters.

Redundancy payments are included within the financial statements during the year in which the employment contract ceased.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Accounting policies (continued)

Pension costs and other post-retirement benefits (continued)

Some members of staff are members of the North East Scotland Pension Fund (NESPF) which is a defined benefit pension scheme. Contributions to the scheme are advised by the Scottish Public Pension Agency.

The costs of providing this pension are charged to the Statement of Financial Activities on a consistent basis over the working life-time of the members. These costs are determined by a qualified actuary and any variations from the regular costs are spread over the remaining working life-time of the current members.

Defined benefit pension scheme assets are included at market value and this is compared to the present value for the scheme liabilities using a projected unit method and discounted at the current rate of return. Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined liability, benefit changes and settlements during the period are recognised in expenditure.

Remeasurement of the net defined benefit liability is recognised in other recognised gains and losses in the period in which it occurs.

Taxation

The charitable company is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Heritable property is held at fair valuation. The cost or valuation of fixed tangible assets is depreciated at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 25 years straight line
Plant & machinery	- 3-5 years straight line
Fixtures and fittings	- 3-5 years straight line
Computer equipment	- 3-5 years straight line

Items purchased exceeding £1,000 are capitalised in the year.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank

Cash at bank includes cash held in a deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

2 Accounting policies (continued)

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Funds

In the Statement of Financial Activities, funds are classified as either restricted funds or unrestricted funds, defined as follows:

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Directors.

Restricted funds can only be used for particular restricted purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds that have been set aside by the Directors for particular purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Transfers are made between unrestricted and restricted funds of the surplus/deficit remaining on completion of a project.

Judgements in applying accounting policies and key sources of estimation

In the application of the charitable company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. In preparing these financial statements, the Directors have made the following judgements:

Useful life of tangible fixed assets

Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence. Fixed assets are also assessed as to whether there are indicators of impairment, with freehold property being revalued regularly.

Trade debtor recovery

Credit control is an important function which requires assessment, on an ongoing basis, of the recoverability of amounts due from debtors. Where recovery is in doubt, the Directors will adequately provide against this specific debt and will arrive at such conclusions based on the knowledge of the debtor and their "ability to pay". The Directors adopt a prudent approach to credit control.

Accruals

Directors estimate the requirements for accruals using post year end information and information available from detailed budgets. This identifies costs that are expected to be incurred for services provided by other parties. Accruals are only released when there is a reasonable expectation that these costs will not be invoiced in the future.

Notes to the financial statements (continued)

2 Accounting policies (continued)

Judgements in applying accounting policies and key sources of estimation (continued)

Deferred income

Deferred income relates to funding received or invoiced in the form of grants and service level agreements which cover a period spanning the year end or have performance related conditions. The Directors estimate the deferred income in relation to grants and service level agreements by pro rating the funding amount over the period of support or where appropriate, depending on the performance conditions stipulated in the agreements.

Defined benefit pension scheme

The charitable company has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Directors estimates these factors in determining the net pension obligation with help from the pension scheme actuaries. The assumptions reflect historical experience and current trends.

3 Grants and Donations

	2022	2021
	£	£
Grants		
Aberdeenshire Council (restricted)	40,000	40,000
Medication, Recovery & Me (restricted)	1,030	-
Community Fridge Project Inverurie (restricted)	3,000	-
Woman's Support Project - Encompass (restricted)	-	13,971
Portlethen GLC (restricted)	-	1,902
Scottish Government Thank You Payments (restricted)	-	9,963
Scottish Government Thank You Payments (unrestricted)	-	4,774
National Lottery Community Fund (restricted)	-	9,000
Inspiring Scotland Wellbeing – Phase 3 (restricted)	-	5,876
Aberdeenshire DART (restricted)	-	2,979
Aberdeenshire Voluntary Action (restricted)	-	1,000
ACVO Anchor Fund – The Befriending Project (restricted)	-	2,155
Clothworkers Foundation – Volunteer Training (restricted)	-	3,520
Corra Foundation – Volunteer Training (restricted)	-	4,000
Food Poverty Action Aberdeen (CFINE) (restricted)	-	4,000
Connected (restricted)	-	3,000
Miscellaneous (restricted)	-	1,820
Miscellaneous (unrestricted)	-	-
	44,030	107,960
Donations		
Miscellaneous (unrestricted)	2,676	1,379
Miscellaneous (restricted)	1,100	4,494
Total	47,806	113,833
	=====	=====

Alcohol & Drugs Action
(A company limited by guarantee)

Notes to the financial statements (continued)

4	Other trading activities	2022	2021
		£	£
	Training / teaching income (restricted)	3,438	4,660
		3,438	4,660
		=====	=====
5	Charitable activities	2022	2021
		£	£
	NHS Grampian (restricted)	485,100	473,498
	Aberdeen City Council (restricted)	1,032,810	982,808
	Foyer Aberdeen – SLA (restricted)	(134,840)	(132,035)
	Aberdeenshire ADP (restricted)	256,332	249,584
	Aberdeenshire ADP – Stepped Care (restricted)	49,036	47,980
	Aberdeenshire ADP/ESF (restricted)	153,973	151,698
	ESF Funding (restricted)	-	11,156
	Scottish Executive (restricted)	30,000	30,000
	Barnardo's (restricted)	40,683	40,682
	Shire ADP – Peer Secondment (restricted)	2,885	34,240
	The Corra Foundation (YOUR Project) (restricted)	21,771	26,718
	The Alliance (Health & Social Care Alliance Scotland) (restricted)	4,932	19,512
	OWLNEG – Branching Out (restricted)	11,208	7,472
	Naloxone Project (restricted)	10,600	-
	Click Project – SACRO (restricted)	-	21,232
		1,964,490	1,964,545
		=====	=====

Alcohol & Drugs Action
(A company limited by guarantee)

Notes to the financial statements (continued)

6	Expenditure including allocation of support costs	2022	Charitable expenditure		Governance costs	Total 2022	Charitable expenditure		Governance Costs	Total 2021
			Unrestricted	Restricted			Unrestricted	Restricted		
			£	£	£	£	£	£	£	£
	Staff costs (note 7)		7,000	1,767,821	-	1,774,821	6,000	1,721,395	-	1,727,395
	Other staff costs		-	5,759	-	5,759	-	26,013	-	26,013
	Consultancy fees		-	750	-	750	-	27,010	-	27,010
	Membership subscriptions		-	5,360	-	5,360	-	5,849	50	5,899
	Training		-	886	-	886	-	2,459	-	2,459
	Sundry expenses		5	9,237	-	9,242	4,367	16,684	-	21,051
	Motor and travel expenses		1,649	10,323	-	11,972	-	6,056	-	6,056
	Telephone, mobile and broadband		-	22,708	-	22,708	70	27,093	-	27,163
	Heat and light		-	9,508	-	9,508	-	7,869	-	7,869
	Insurance		-	19,278	-	19,278	-	18,317	-	18,317
	Rates and water		-	7,525	-	7,525	-	10,936	-	10,936
	Rent		-	20,890	-	20,890	-	23,229	-	23,229
	Refuse and cleaning		-	12,939	-	12,939	-	11,943	-	11,943
	Repairs and renewals		-	9,970	-	9,970	-	2,115	-	2,115
	Hire of equipment		-	904	-	904	-	4,014	-	4,014
	Leaflets and books		-	20	-	20	-	97	-	97
	IT software and support costs		-	29,280	-	29,280	-	28,523	-	28,523
	Post, stationery and printing		-	6,551	-	6,551	-	2,783	-	2,783
	Bank charges		-	154	-	154	-	128	-	128
	Professional fees		-	8,891	-	8,891	-	9,209	-	9,209
	Depreciation		-	21,163	-	21,163	-	17,098	-	17,098
	IT equipment and furniture		-	1,667	-	1,667	-	3,585	-	3,585
	Advertising and website		-	2,273	-	2,273	-	2,641	-	2,641
	Audit and non-audit fees (note 8)		-	-	8,640	8,640	-	-	8,430	8,430
	Total expenditure		8,654	1,973,857	8,640	1,991,151	10,437	1,975,046	8,480	1,993,963

Notes to the financial statements (continued)

7 Staff costs

	2022	2021
	£	£
Wages and salaries	1,553,975	1,509,179
Social security costs	135,707	135,529
Pension costs	78,139	76,687
FRS 102 defined benefit costs	7,000	6,000
	1,774,821	1,727,395
	=====	=====
Average number of employees in year (based on headcount)	68	65
	=====	=====

There were no employees whose emoluments as defined for taxation purposes amounted to £60,000 for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Key management remuneration

The remuneration of key management in the year, including employer's pension contributions amounted to £198,833 (2021 - £190,639).

Directors' remuneration and expenses

There were no Directors who received remuneration during the year ended 31 March 2022 (2021 - £nil).

During the year £50 (2021 - £50) expenses were incurred for board training.

8 Net income

	2022	2021
	£	£
Net income is stated after charging:		
Auditor's remuneration - audit services	8,640	8,430
	=====	=====

Alcohol & Drugs Action
(A company limited by guarantee)

Notes to the financial statements (continued)

9 Tangible fixed assets

2022	Freehold property £	Plant & machinery £	Fixtures and fittings £	Computer equip. £	Totals £
Cost					
At 1 April 2021	160,000	10,869	15,800	77,306	263,975
Additions	-	-	-	12,702	12,702
Disposals	-	(2,185)	(14,619)	(25,382)	(42,186)
At 31 March 2022	160,000	8,684	1,181	64,626	234,491
Depreciation					
At 1 April 2021	5,200	10,747	15,800	58,639	90,386
Charge for year	5,200	122	-	15,841	21,163
Disposals	-	(2,185)	(14,619)	(25,382)	(42,186)
At 31 March 2022	10,400	8,684	1,181	49,098	69,363
Net book value					
At 31 March 2022	149,600	-	-	15,528	165,128
	=====	=====	=====	=====	=====
At 31 March 2021	154,800	122	-	18,667	173,589
	=====	=====	=====	=====	=====
2021	Freehold Property £	Plant & machinery £	Fixtures and fittings £	Computer equip. £	Totals £
Cost					
At 1 April 2020	160,000	10,869	15,800	71,366	258,035
Additions	-	-	-	5,940	5,940
At 31 March 2021	160,000	10,869	15,800	77,306	263,975
Depreciation					
At 1 April 2020	-	10,374	15,800	47,114	73,288
Charge for year	5,200	373	-	11,525	17,098
At 31 March 2021	5,200	10,747	15,800	58,639	90,386
Net book value					
At 31 March 2021	154,800	122	-	18,667	173,589
	=====	=====	=====	=====	=====

The freehold property was revalued on 12 June 2017 by RICS registered valuer FG Burnett at £200,000 to reflect fair value. This revaluation was incorporated in the financial statements at 31 March 2017. The property was subsequently revalued as at 31 March 2020 at £160,000 and this revaluation was incorporated in the financial statements at March 2020. The value of £160,000 includes non-depreciable land of £30,000 (2021 - £30,000).

Notes to the financial statements (continued)

9 Tangible fixed assets (continued)

Comparable historic cost of the revalued freehold property

	2022 £	2021 £
Cost		
At 1 April 2021 and 31 March 2022	339,131	339,131
Depreciation based on cost		
At 1 April 2021	244,732	242,048
Charged for the year	2,684	2,684
At 31 March 2022	247,416	244,732
Net book value		
At 31 March 2022	91,715	94,399
	=====	=====

10 Debtors

	2022 £	2021 £
Trade debtors	497,876	449,053
Prepayments and accrued income	134,696	184,994
	632,572	634,047
	=====	=====

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	32,229	38,716
Taxation and social security	34,023	33,876
Other creditors	67,611	73,757
Deferred income	494,234	482,368
	628,097	628,717
	=====	=====
Deferred income		
Balance at 1 April 2021	482,368	449,657
Amounts released in the year	(477,361)	(449,657)
Amounts deferred in the year	489,227	482,368
Balance at 31 March 2022	494,234	482,368
	=====	=====

The deferred income in the year relates to income received for projects relating to the following year, which have performance conditions and repayments provisions attached.

The bank holds a standard security over the premises at 5-9 Hadden Street, Aberdeen.

Alcohol & Drugs Action
(A company limited by guarantee)

Notes to the financial statements (continued)

12 Funds	Brought forward £	Income £	Expenditure £	Other recognised gains £	Transfers £	Carried Forward £
2022						
Unrestricted funds						
General unrestricted reserves funds	267,028	391	(5)	-	2,517	269,931
Designated funds	-	2,325	(1,649)	-	104	780
Property revaluation	60,401	-	-	-	(2,517)	57,884
Pension reserve deficit	(17,000)	-	(7,000)	5,000	-	(19,000)
	<u>310,429</u>	<u>2,716</u>	<u>(8,654)</u>	<u>5,000</u>	<u>104</u>	<u>309,595</u>
Restricted funds						
Aberdeen City ADP - Drug Services	34,075	1,022,100	(992,364)	-	(46)	63,765
Aberdeen City ADP - Alcohol Services	4,509	309,943	(307,840)	-	-	6,612
Corra (YOUR) Project	1,887	21,771	(23,658)	-	-	-
Corra Foundation – Volunteer Training	2,845	-	(425)	-	-	2,420
Barnardo's - RAFT	-	40,683	(35,418)	-	-	5,265
Aberdeenshire ADP - CSMS	-	40,000	(40,000)	-	-	-
Aberdeenshire ADP – property/equipment	3,848	-	(2,217)	-	-	1,631
NHS Sexual Health Clinic	-	1,139	(969)	-	-	170
ACH & SCP - PUIR Group	1,548	-	(151)	-	-	1,397
AUSA/ADA - Cookery Proj./Food with Friends	1,329	-	-	-	-	1,329
CFHS - Volunteer Training	511	-	-	-	-	511
Anchor Fund – Befriending Project	1,077	-	(79)	-	-	998
SMART – Inverurie Group	232	-	-	-	-	232
SMART – Banchory Group	286	-	-	-	-	286
Branching Out	215	11,208	(10,780)	-	-	643
Shire Woman's Group	294	-	-	-	-	294
The Alliance	465	4,932	(5,397)	-	-	-
	<u>53,121</u>	<u>1,451,776</u>	<u>(1,419,298)</u>	<u>-</u>	<u>(46)</u>	<u>85,553</u>
Carried forward						

**Alcohol & Drugs Action
(A company limited by guarantee)**

Notes to the financial statements (continued)

12 Funds (continued)	Brought Forward £	Income £	Expenditure £	Other recognised gains £	Transfers £	Carried Forward £
2022 (continued)						
Brought forward	53,121	1,451,776	(1,419,298)	-	(46)	85,553
ACH & SCP - Veterans in Recovery	779	-	-	-	-	779
ACH & SCP Cooking with Confidence	553	-	-	-	-	553
Food Poverty Action Aberdeen (CFINE)	2,676	-	(2,676)	-	-	-
Clothworkers Foundation	1,113	-	(517)	-	-	596
Aberdeenshire ADP – ASSET	47,649	462,226	(446,717)	-	(62)	63,096
Aberdeen City ADP – Youth EI/City GLC	1,946	-	(1,946)	-	-	-
YPI – Lochside Academy	1,667	350	(1,667)	-	-	350
The Lens - Trauma	2,186	-	(216)	-	-	1,970
Aberdeenshire South ADP Forum	1,004	-	-	-	-	1,004
City Drug, Alcohol and HIV Forum	1,811	-	(1,657)	-	-	154
ADA Gardening Group	1,483	749	(250)	-	-	1,982
ADA Walking Group	1,340	-	(9)	-	-	1,331
ADA Woman's Group	144	-	-	-	-	144
ADA Coffee and Craft Group	644	-	(23)	-	-	621
ADA Music Group	75	-	-	-	-	75
Naloxone Project	-	10,600	(8,838)	-	-	1,762
Medication, Recovery & Me	-	1,030	(78)	-	-	952
Huntly Recovery Hub/Gardening	-	-	(62)	-	62	-
Recovery Peer Partnership	-	30,000	(29,942)	-	(58)	-
Community Fridge Project Inverurie	-	3,000	-	-	-	3,000
RGU/SWIT	-	3,338	(3,338)	-	-	-
National Lottery Community Fund	6,276	-	(6,276)	-	-	-
Carried forward	124,467	1,963,069	(1,923,510)	-	(104)	163,922

**Alcohol & Drugs Action
(A company limited by guarantee)**

Notes to the financial statements (continued)

12 Funds (continued)	Brought Forward £	Income £	Expenditure £	Other recognised gains £	Transfers £	Carried Forward £
2022 (continued)						
Brought forward	124,467	1,963,069	(1,923,510)	-	(104)	163,922
Fairer Aberdeen Wellbeing Fund	452	-	(50)	-	-	402
Torry Dart	870	-	(61)	-	-	809
"Level Up" Wellbeing Hubs	8,887	49,989	(58,876)	-	-	-
	134,676	2,013,058	(1,982,497)	-	(104)	165,133
Total funds	445,105	2,015,774	(1,991,151)	5,000	-	474,728
	=====	=====	=====	=====	=====	=====

Alcohol & Drugs Action
(A company limited by guarantee)

Notes to the financial statements (continued)

12 Funds (continued)	2021	Brought forward £	Income £	Expenditure £	Other recognised losses £	Transfers £	Carried Forward £
Unrestricted funds							
General unrestricted reserves funds	251,621	6,233	(4,437)	-		13,611	267,028
Property revaluation	62,918	-	-	-		(2,517)	60,401
Pension reserve deficit	(47,000)	-	(6,000)	36,000		-	(17,000)
	267,539	6,233	(10,437)	36,000		11,094	310,429
Restricted funds							
THI Building Improvement	225	-	(225)	-		-	-
Aberdeen City ADP - Drug Services	2,268	1,009,963	(974,230)	-		(3,926)	34,075
Aberdeen City ADP - Alcohol Services	270	303,271	(299,032)	-		-	4,509
Corra (YOUR) Project	-	26,718	(24,831)	-		-	1,887
Corra Foundation – Volunteer Training	-	4,000	(1,155)	-		-	2,845
Barnardo's - RAFT	-	40,682	(40,682)	-		-	-
Aberdeenshire ADP - CSMS	-	40,000	(40,000)	-		-	-
Aberdeenshire ADP – property/equipment	3,848	-	-	-		-	3,848
NHS Sexual Health Clinic	659	-	5	-		(664)	-
Comic Relief - GLP	89	-	(89)	-		-	-
ACH & SCP - PUIR Group	1,548	-	-	-		-	1,548
AUSA/ADA - Cookery Proj./Food with Friends	1,329	-	-	-		-	1,329
CFHS - Volunteer Training	511	-	-	-		-	511
Anchor Fund – Befriending Project	-	2,155	(1,078)	-		-	1,077
SMART – Inverurie Group	232	-	-	-		-	232
SMART – Banchory Group	286	-	-	-		-	286
Branching Out	-	7,472	(7,257)	-		-	215
Shire Woman's Group	294	-	-	-		-	294
The Alliance	30	19,512	(19,077)	-		-	465
	11,589	1,453,773	(1,407,651)	-		(4,590)	53,121
Carried forward							

**Alcohol & Drugs Action
(A company limited by guarantee)**

Notes to the financial statements (continued)

12 Funds (continued)	Brought Forward £	Income £	Expenditure £	Other recognised losses £	Transfers £	Carried Forward £
2021 (continued)						
Brought forward	11,589	1,453,773	(1,407,651)	-	(4,590)	53,121
ACH & SCP - Veterans in Recovery	779	-	-	-	-	779
ACH & SCP Cooking with Confidence	553	-	-	-	-	553
Portlethen GLC	-	1,902	(1,902)	-	-	-
Food Poverty Action Aberdeen (CFINE)	-	4,000	(1,324)	-	-	2,676
Clothworkers Foundation	-	3,520	(2,407)	-	-	1,113
Aberdeenshire ADP – ASSET	21,023	487,481	(460,855)	-	-	47,649
Aberdeenshire ADP/ESF	-	11,156	-	-	(11,156)	-
Aberdeen City ADP – Youth EI/City GLC	1,946	-	-	-	-	1,946
City GLC – Dragados	3,566	-	(3,566)	-	-	-
YPI – Lochside Academy	2,278	-	(611)	-	-	1,667
Aberdeenshire GLC - Crerar	3,685	-	(3,685)	-	-	-
SACRO CLICK	13	21,232	(21,000)	-	(245)	-
The Lens - Trauma	2,186	-	-	-	-	2,186
Aberdeenshire South ADP Forum	1,004	-	-	-	-	1,004
City Drug, Alcohol and HIV Forum	-	4,143	(2,332)	-	-	1,811
Stay Connected	-	3,000	(3,000)	-	-	-
Encompass Fund	-	13,971	(13,971)	-	-	-
Inspiring Scotland Wellbeing	-	5,876	(5,876)	-	-	-
ADA Gardening Group	1,226	601	(344)	-	-	1,483
ADA Walking Group	1,340	-	-	-	-	1,340
ADA Woman's Group	144	-	-	-	-	144
ADA Coffee and Craft Group	816	-	(172)	-	-	644
ADA Music Group	75	-	-	-	-	75
Recovery Peer Partnership	188	30,000	(35,023)	-	4,835	-
RGU/SWIT	-	4,660	(4,660)	-	-	-
National Lottery Community Fund	-	9,000	(2,724)	-	-	6,276
Carried forward	52,411	2,054,315	(1,971,103)	-	(11,156)	124,467

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**Alcohol & Drugs Action
(A company limited by guarantee)**

Notes to the financial statements (continued)

12 Funds (continued)	Brought Forward £	Income £	Expenditure £	Other recognised losses £	Transfers £	Carried Forward £
2021 (continued)						
Brought forward	52,411	2,054,315	(1,971,103)	-	(11,156)	124,467
Fairer Aberdeen Wellbeing Fund	-	700	(248)	-	-	452
Torry Dart	-	870	-	-	-	870
Huntly Recovery Hub/Gardening	-	-	(62)	-	62	-
"Level Up" Wellbeing Hubs	-	21,000	(12,113)	-	-	8,887
	52,411	2,076,885	(1,983,526)	-	(11,094)	134,676
Total funds	319,950	2,083,118	(1,993,963)	36,000	-	445,105
	=====	=====	=====	=====	=====	=====

12 Funds (continued)

Designated funds

Designated funds are unrestricted funds that have been set aside by the Directors for particular purposes. During the year a £30 cash donation was received from an employee's son which was designated to help fund the ADA Activities Group; £750 was received from the Arnold Clark Community Fund which was designated to help fund Volunteer Training; and finally, £1,545 was received and designated to the Sharp Response Initiative.

Restricted funds

Aberdeen City ADP – ADA Drugs Service Fund relates to money received to provide a tier 1 and 2 community- based harm reduction service and a tier three community- based rehabilitation service for people engaged in treatment for drug use problems.

Aberdeen City ADP – ADA Alcohol Service Fund relates to money received for a contract for Alcohol Information & Advice Service and a Care Managed Alcohol Support Service which is a community-based service which provides evidence based interventions to individuals to address all forms of risk associated with alcohol use along with a tier three alcohol rehabilitation and recovery service.

Corra (YOUR) Project – Three tier funding for ADA Children and Families workers, in partnership with Aberdeenshire Council to staff: a youth club, the delivery of good life choice (GLC) programmes and provide 1 to 1 support in Aberdeenshire.

Corra Foundation – Volunteer Training Aberdeen City and Aberdeenshire - Funding for volunteer training, during and beyond Covid-19, to help improve the lives of individuals and communities experiencing disadvantage through substance misuse.

Barnardo's – RAFT (acronym for Reaching Aberdeen Families Together) Fund relates to a service where ADA formed a consortium with Barnardo's, Apex, Aberdeen Foyer and HomeStart Aberdeen following the cessation of Families First to provide support to vulnerable children and their families in Aberdeen.

Aberdeenshire ADP – CSMS is funding provided by Aberdeenshire for service users from that area that make use of the Aberdeen City services.

Aberdeenshire ADP – Property/equipment was funding received to cover costs associated with move of premises for our Aberdeenshire base and to purchase laptops for staff.

NHS Sexual Health Clinic Fund (also known as Exchange Street Clinic) is for funding to cover staff costs to deliver a sexual health clinic, for men who have sex with men, from our Hadden Street offices.

ACH & SCP – Parents United In Recovery Group Fund (PUIR) is funding received to start a support group for parents in recovery whose children no longer live with them. The project involves the use of volunteers in the running of the group.

Aberdeen University Students Association (AUSA)/ADA Cookery Project relates to funding received to provide training in cookery skills and a range of related topics such as diet and healthy eating to help people in recovery. This project involves the use of volunteers in the delivery of the project and the aims to build their confidence and that of the participants. Additional funds are added in year from ADA group events.

12 Funds (continued)

Community Food and Health (Scotland) Volunteer Training (CFHS) funds are used to deliver volunteer training sessions to support identified development needs in the City alongside our cooking/food groups. First Aid training has been carried out.

ACVO Anchor Fund – Befriending Project – Funding for ADA activity which responds to the Covid-19 pandemic and implementation of the social distancing measures over the six-month period from May to November 2021.

SMART – Inverurie Group – funds received from CAIR Scotland when ADA took over as part of ASSET contract. Funds to be used for group running costs and licence fee for group held in the town and initially came from Aberdeenshire ADP Forum.

SMART – Banchory Group - funds received from CAIR Scotland when ADA took over as part of ASSET contract. Funds to be used for group running costs for group held in the town and initially came from Aberdeenshire ADP Forum.

Branching Out – Funding for the work of 0.3 FTE staff member by the Outdoor and Woodland Learning North East Group (OWLNEG). The aim is to increase understanding and appreciation, particularly amongst young people, of the environmental, social and economic benefits of Scotland's natural environment and natural resources.

Shire Woman's Group - funds received from CAIR Scotland which had initially come from Aberdeenshire ADP Forum when ADA took over as part of ASSET contract. Funds to be used for running group held in Inverurie, Aberdeenshire.

The Alliance – This funding is part of a project – 'Trauma Informed Practice' a partnership to support embedding good trauma practice across all parts of our service but especially that including and involving lived experience/volunteers.

Veterans in Recovery – this fund to be used to help veterans affected by substance use and is to be ran in conjunction with City council leisure staff and is based around exercise and gym activities.

Aberdeen City Health & Social Care Partnership (ACHSCP) Cooking with Confidence relates to funding received to provide a tutor and ingredients for initial cookery skills groups for isolated people who are stable in their recovery in Aberdeen City but targeted to South of the City. Participants will then receive further support through the Audit Learning Communities Team to progress individual learning.

Food Poverty Action Aberdeen (CFINE) – Funding received from Community Food Initiatives North-East (CFINE) for supply of food and essentials to needy clients during the Covid-19 pandemic.

Clothworkers Foundation – Funding reviewed for the purposes of providing new and replacement IT equipment and furniture across ADA.

Aberdeenshire ADP – Aberdeenshire Substance use Support, Engagement and Treatment (ASSET). This is a joint initiative between ADA and Turning Point Scotland (TPS) and who came together to deliver joined-up, high quality substance use support services in the Aberdeenshire area with ADA taking the lead in providing services in Central and South Aberdeenshire and TPS covering North Aberdeenshire.

Aberdeen City ADP – Youth EI/City GLC - funds provided to be used for children and youths in Aberdeen City which at current time is mostly used to hold GLC programmes in City schools.

12 Funds (continued)

YPI – Lochside Academy – funding won by pupils at the Academy as part of Wood Foundation Young Philanthropy Initiative. As part of the project ADA promised money would be used to hold GLC projects within the new Academy.

The Lens – Trauma - arose from an initiative aimed at providing seed funding for innovative ideas. Members of ADA staff were successful in June 2021 in being awarded funds to allow them to be trained in area of trauma and do a pilot study on a number of ADA service users looking at different types of trauma are linked to substance use.

Aberdeenshire South and Central ADP Forum Funds relate to funding received to cover costs incurred through ADA staff members being chair/co-chairs of the forum.

ADA Gardening Group Fund was set up as a result of a donation from a service user to be spent on supporting our recovery group who meet regularly to partake in gardening and associated activities and this has since been topped up by fundraising by members of the group through plant sales and other events.

ADA Walking Group Fund – Funded through volunteer donations for running and organising a walking group for clients.

ADA Woman's Group Fund was set up from a donation specified to be used to support the activities of our Woman's Group and goes towards the costs of their activities.

ADA Coffee and Craft Group Fund was formed as a result of events held by our recovery group and income came from small fundraising events organised by the group participants and volunteers.

ADA Music Group – Funded through volunteer donations for running and organising a music group for clients.

Naloxone Project – Funding provided from Aberdeen City ADP for provision of a Naloxone training initiative run by an ADA staff member until end of November 2022.

Medication, Recovery & Me (Inverurie Group) – Medication Recovery and Me is a peer support group operating in Inverurie that is open to anyone currently receiving substitute medication to support their recovery from problematic alcohol or drug use, who want to learn more about addiction and the support available to them.

Recovery Peer Partnership is funded by the Scottish Government National Development Fund and is run in conjunction with Aberdeen in Recovery (AiR). ADA has secured 2 years funding from the Scottish Government National Development fund for a project being run alongside Aberdeen in Recovery (AiR) and is about the development of a Recovery Peer Pathway and supporting processes to include increased accredited learning and volunteering opportunities for both family members as well as those with direct lived experience of substance problems. The pathway will also fit within the 'recovery stages' model currently used by local statutory and third sector service provision – as part of moving beyond the stages; e.g. where the individual progressing in their recovery journey wishes to reduce their need on services and develop their independence and autonomy. The pathway will merge the existing AiR membership developmental levels along with ADA's volunteer structure to ensure full compatibility and consistency.

12 Funds (continued)

Huntly Recovery Hub - funds received from CAIR Scotland which had initially come from Aberdeenshire ADP Forum when ADA took over as part of ASSET contract along with funds received from Tesco when group applied for in-store promotion. Funds to be used for group running costs for group held in the Linton Centre and Huntly area including a local allotment.

Community Fridge Project Inverurie – With the support of grant funding from Hubbub the aim of the project is to Launch a Community Fridge in Chelsea House, Inverurie which is open and accessible to diverse local communities. The project will: a) assess the impact of the Community Fridge on reducing food waste and building resilient communities; and b) share learnings openly and honestly.

Robert Gordon University SWIT Fund – income for The Robert Gordon University to cover staff costs involved in the secondment and training of social work students.

National Lottery Community Fund – Funding received to alleviate hardship suffered by ADA clientele during the Covid-19 crisis.

Fairer Aberdeen Wellbeing Fund – Funding to provide wellbeing to needy families affected by addiction within Aberdeen City.

Torry DART – funding received through U Decide, ACC to deliver the DART Level 1 Self Coaching in Recovery Course in Torry. The course introduces topics and tools to develop self-awareness, understand self better and learn 'how you tick'. The course explores different ways you can help yourself to achieve the goals you want in your recovery. SCQF accredited course.

"Level Up" Wellbeing Community Hubs – Funding from Aberdeen City ADP for Children & Family community run services.

The THI Building Improvement Fund relates to money received from the Heritage Lottery Fund (The Green Townscape Initiative via Aberdeen City Council) for the refurbishment of the premises at 7 Hadden Street.

Comic Relief – Green Light Project is a service for young people aged up to 25 in Aberdeen and Aberdeenshire to educate in the area of sexual exploitation prevention and the safer use of social media and to help those affected by it.

Portlethen GLC – Funding for a group work programme to build resilience delivered in Portlethen Academy.

Aberdeenshire ADP/ESF – funded by Aberdeenshire ADP and European Social fund for Employability pipeline work for eligible adults affected by substance use with aim to improve employment potential and to carry out Assertive Outreach work in Central and South Aberdeenshire.

City GLC – Dragados Fund is funding to be used to carry out youth early intervention work with youngsters from the Torry area of Aberdeen. After being awarded the local academy at Torry closed and merged with another local school and became Torry Academy and funds to be used to run our good Life Choices project.

Aberdeenshire GLC – Crerar Fund is funding to be used to run youth early intervention projects at Inverurie Academy.

12 Funds (continued)

SACRO CLICK – CLICK is a SACRO led consortium. The funding enables ADA to provide 0.5 staff and some management for online work with women involved in (indoor) sex industry.

City Drug, Alcohol and HIV Forum – Funding received from the dissolution of an old bank account. To be used for advertising, marketing and publicising the charitable activities undertaken by ADA.

Lord Provost's Charitable Trust (Hardship Fund) – Stay Connected – Funding received to help individuals, families and communities across the Aberdeen experiencing severe financial hardship as a direct result of the Covid-19 pandemic to "stay connected".

Encompass Fund – Funding through Encompass' Women's Support Project for provision to people at risk of becoming involved in, who are currently involved in, or who have exited selling or exchanging sexual activity / commercial sexual exploitation.

Inspiring Scotland Wellbeing – Funding received from Inspiring Scotland to enable ADA in supplying food and essentials to vulnerable clients during the Covid-19 pandemic.

13 Pension commitments and retirement benefit pension scheme deficit

The charitable company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £71,286 (2021 - £70,054). At the year end, £10,088 (2021 - £9,754) was outstanding and is included in other creditors.

The charitable company also participates in the North East Scotland Pension Fund (NESPF). The scheme is a fully funded multi-employer defined benefit scheme. The assets of the scheme are held separately from those of the charitable company being invested in a fixed fund. The scheme is closed to new members. The pension cost charge represents contributions payable by the company to the funds and amounted to £6,853 (2021 - £6,633). At the year end, £731 (2021 - £714) was outstanding and is included in other creditors.

Following on from prior actuarial valuations a valuation of the fund was carried out during the year as at the 31 March 2022. This was conducted by a professionally qualified independent actuary using the projected unit method.

Below are the details of the pension deficit and the assumptions made as part of the valuation:

Retirement benefit pension scheme deficit

	2022 £	2021 £
Change in benefit obligation		
Benefit obligation at beginning of year	262,000	220,000
Current service cost	14,000	12,000
Interest cost	5,000	5,000
Contributions – employee	2,000	2,000
(Gain)/loss on remeasurement of liabilities	(6,000)	24,000
Transfers to assets	(1,000)	(1,000)
Benefit obligations at end of year - wholly funded	276,000	262,000

13 Pension commitments and retirement benefit pension scheme deficit (continued)

Change in scheme assets

Fair value of scheme assets at beginning of year	245,000	173,000
Interest on assets	5,000	4,000
(Loss)/gain on remeasurement of assets	(1,000)	60,000
Contributions – employee	2,000	2,000
Contributions - employer	7,000	7,000
Transfers from obligations	(1,000)	(1,000)

Fair value of scheme assets at end of year	257,000	245,000
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Retirement benefit deficit	(19,000)	(17,000)
	=====	=====

History	2022	2021
	£	£

Benefit obligation at end of year	276,000	262,000
Fair value of scheme assets at end of year	(257,000)	(245,000)

Deficit	(19,000)	(17,000)
	=====	=====

Retirement benefits – FRS 102

The principal assumptions used by the independent qualified actuary in updating the most recent valuation to 31 March 2022 for FRS 102 purposes were:

	2022	2021
	%	%
Discount rate	2.8	2.2
Consumer price inflation	3.2	2.7
Rate of increase of salaries	4.7	4.2
Rate of increase of pensions in payment	3.3	2.8
	=====	=====

Life expectancy from age 65	2022	2021
	Number	Number
Retiring today:		
Males	22	22
Females	24	24
Retiring in 20 years:		
Males	23	23
Females	26	26
	=====	=====

Notes to the financial statements (continued)

13 Pension commitments and retirement benefit pension scheme deficit (continued)

The assets of the scheme were:

Asset category	2022 %	2021 %
Equities	60	59
Government bonds	8	5
Other bonds	-	1
Property	7	6
Cash	3	3
Other	22	26
	100	100
	=====	=====

	2022 £	2021 £
Amounts included in the fair value of assets for:		
Equities	153,000	146,000
Government bonds	21,000	12,000
Other bonds	-	2,000
Property	17,000	14,000
Cash	8,000	7,000
Other	58,000	64,000
Total market value of assets	257,000	245,000
	=====	=====

Aberdeen City Council has agreed to act as guarantor for any unfunded liabilities in respect of Alcohol & Drugs Action.

14 Related party transactions

Fraser Hoggan (CEO) is a Director of Aberdeen in Recovery (AiR). ADA works closely with AiR and paid £30,000 (2021 - £30,000) to AiR in the year in relation to the Recovery Peer Partnership. In addition, ADA incurred costs of £3,750 (2021 - £Nil) in the year in relation to shared accommodation with AiR. All such transactions are at arms-length and Fraser removes himself from meetings if there is possibility of any conflict of interest. There was a balance of £3,750 (2021 - £Nil) due to AiR at the year end.

Dermot Craig is a manager for AiR and was also appointed as deputy chair of the Aberdeen Drugs Partnership (ADP) on 30 July 2021. Dermot resigned from the board of Alcohol & Drugs Action on 27 March 2022.

15 Ultimate controlling party

The charitable company is controlled by the Directors.

Notes to the financial statements (continued)

16 Operating lease commitments

At 31 March 2022 the charitable company was committed to making the following payments under non-cancellable operating leases:

	2022 £	2021 £
Due within one year	15,605	18,605
Due between two and five years	6,010	21,615
	21,615 =====	40,220 =====

17 Reconciliation of net income to net cash from/(used) in operating activities

	2022 £	2021 £
Net income for the reporting period	29,623	125,155
Depreciation charges	21,163	17,098
Revaluation of fixed assets	-	-
Investment income shown in investing activities	(40)	(80)
Decrease/(increase) in debtors	1,475	(221,101)
(Decrease)/increase in creditors	(620)	67,441
Increase/(decrease) in pension scheme deficit	2,000	(30,000)
Net cash from/(used by) operating activities	53,601 =====	(41,487) =====

18 Analysis of net assets between funds

2022	Unrestricted funds £	Restricted Funds £	Total funds £
Tangible fixed assets	165,128	-	165,128
Net current assets	163,467	165,133	328,600
Pension scheme deficit	(19,000)	-	(19,000)
	309,595 =====	165,133 =====	474,728 =====
2021	Unrestricted funds £	Restricted Funds £	Total funds £
Tangible fixed assets	173,589	-	173,589
Net current assets	153,840	134,676	288,516
Pension scheme deficit	(17,000)	-	(17,000)
	310,429 =====	134,676 =====	445,105 =====